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Honorable Linda B. Riegle
United States Bankruptcy Judge



Entered on Docket
July 23, 2012

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Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

USA Commercial Mortgage Company,

Debtors.

Case No. BK-S-06-10725-LBR

CHAPTER 11

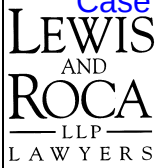
**Order Sustaining Objection and
Approving Settlement Agreement re
Proof of Claim Filed by Mark Fanelli**

Date of Hearing: July 17, 2012
Time: 10:00 a.m.

The Status Conference on the First Omnibus Objection of USACM Liquidating Trust to Proofs of Claim Based Entirely Upon Investment in Del Valle Livingston [DE 8533] filed by the USACM Liquidating Trust and response thereto filed by Mark Fanelli ("Mr Fanelli or Claimant") came before the Court on July 17, 2012. John Hinderaker, Counsel for the USACM Liquidating Trust, appeared telephonically. Mr. Fanelli did not appear. Mr. Hinderaker represented to the Court that the parties had reached an oral agreement to settle the dispute, but Mr. Fanelli has not responded to the Trust's request to finalize the agreement in writing. The USACM Trust wishes to nonetheless give Mr. Fanelli the benefit of that agreement. Good cause now appearing,

IT IS ORDERED;

- The First Omnibus Objection of USACM Liquidating Trust to Proofs of Claim Based Entirely Upon Investment in Del Valle Livingston [DE 8533] is sustained in accordance with these terms;
- Proof of Claim No. 10725-01380 filed in the amount of \$100,000 is 10% allowed (\$10,000) and 90% disallowed (\$90,000).
- Based upon the portion of Proof of Claim No. 10725-01380 allowed as a non-priority unsecured claim (\$10,000), the Trust shall make an immediate 8.8% (4.92% initial creditor distribution and 3.88% second distribution) distribution to Mr. Fanelli as his *pro rata* share of the funds reserved by the Trust from the first and second distribution.
- All other funds reserved for the Fanelli Claim will be released from the Disputed Claims Reserve and made available to the Trust for whatever purpose is appropriate in the administration of the Trust;
- The remainder, if any, of Proof of Claim No. 10715-01380 is hereby disallowed;
- Mr. Fanelli will share in future distributions *pro rata* based upon his allowed claim for \$10,000.
- Any hearings scheduled regarding the Fanelli Claim, including the October 15th, and October 16, 2012 hearings, are hereby vacated,;
- Each party shall bear their own costs and attorneys fees; and
- This Order will supersede any orders preceding that relate to the Fanelli Claim



1 PREPARED AND RESPECTFULLY SUBMITTED BY:

2 **LEWIS AND ROCA LLP**

3
4 By /s/ John Hinderaker (AZ #018024)

5 Robert M. Charles, Jr.

6 John Hinderaker (*pro hac vice*)

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11 *Attorneys for USACM Liquidating Trust*

LOCAL RULE 9021 CERTIFICATION

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court's ruling and that (check one):

_____ This Court has waived the requirement set forth in LR 9021(b)(1).

xxxx No party appeared at the hearing or filed an objection to the motion.

_____ I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below [list each party and whether the party has approved, disapproved, or failed to respond to the document]:

_____ I certify that this is a case under Chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objected to the form or content of the order

Submitted by:
LEWIS AND ROCA LLP

By: /s/ John Hinderaker. (AZ #018024)
Attorneys for USACM Liquidating Trust

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